

## Rethinking how their medical labs relate to health insurers, physicians, and patients

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### a. Problem

- It is becoming ever more difficult to have health plans reimburse claims for lab tests in a reliable and consistent manner.
- Many lab companies report that they are experiencing high rates of denied claims.

### b. Challenges

- The hurdle is when clinical labs must, as they bill the health insurers, also collect large deductibles or out-of-pocket payments directly from those patients.
- Challenge for medical laboratories serving patients with HDHPs is that they need to collect a big chunk of money from the patient.
- Most labs are not set up to collect these fees at the time of service, when a patient shows up to provide a lab specimen.
- An equally big challenge when collecting payments from patients with HDHPs is the situation where the lab bills the patient's insurance. Then, when the claim is paid by the insurer 60 days or longer, the lab must then send a bill to the patient to collect the required deductible.
- When this happens, the clinical laboratory has two unhappy customers: the patient and the patient's physician!

### c. Opportunities

- For clinical laboratories to view the patient as a true customer and design a price schedule and a menu of services that fully meets or exceeds the expectations of those patients.
- After making this transition, a handful of innovative lab companies report increased collection and higher levels of satisfaction—not only of their patients, but also from their physician clients!

### d. Case Study: *Counsyl, Inc*

- Well-received not just by physicians and patients, but also by a large proportion of the nation's largest health plans.
- Counsyl says that it prices its test menu at a reasonable level, averaging about \$1,500 each. Health insurers recognize clinical benefit at an acceptable cost.
- Counsyl says that it has managed-care contracts representing upwards of 180 million beneficiaries nationwide. Thus, it can bill the right health plan for just about any patient it serves.
- Counsyl offers a quick and easy-to-use patient test pricing tool.
- At the time when the physician is about to order the lab test, patients can use the tool to determine exactly how much they will pay, based on their health insurance benefits.